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FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

August 25, 2000

Maglie Roman Salas Secretary Federal Communications Commission The Portals 445-12th Street, SW Room TW-A325 Washington, DC 20554

Re: Promotion of Competitive Networks in Local Telecommunications Markets (WT

Docket No. 99-217)

Implementation of the Local Competition Provisions of the Telecommunications

Act of 1996 (CC Docket No. 96-98)

Dear Ms. Salas:

In accordance with Section 1.1206(a)(1) of the Commission's rules, I am notifying you on behalf of NEXTLINK Communications, Inc. ("NEXTLINK"), that I spoke by telephone conference call on August 22, 2000 with Christopher D. Libertelli, Katherine Farroba and Jake E. Jennings of the Common Carrier Bureau. We discussed NEXTLINK's views regarding a proposal of some commenters in the FCC's Competitive Networks proceeding that the Commission adopt a single demarcation point for all multiple tenant environments ("MTEs") at the building's Minimum Point of Entry ("MPOE"). In some cases, an ILEC owns or controls inside wire and the availability of competitive service to the end-user is under ILEC control. In other cases, the inside wire is owned or controlled by the building owner who can also effectively bar the tenant's access to competitive alternatives for telecommunications services. As explained below, regardless of how the Commission decides to regulate anti-competitive behavior by building owners in its Competitive Networks proceeding, NEXTLINK urges the Commission to preserve its decision that ILEC-controlled inside wire constitutes part of the loop network element.

In its UNE remand proceeding, the Commission directly addressed competitors' access to inside wire controlled by ILECs by defining such inside wire as part of the loop network element and requiring ILECs to provide CLECs with nondiscriminatory access at cost-based rates. Third Report and Order and Fourth Notice of Proposed Rulemaking, Implementation of the Local Competition Provisions of the Telecommunications Act of

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1996, CC Docket No. 96-98, released Nov. 5, 1999 at ¶¶ 168-171. The Commission chose to revise its loop definition by finding that a loop terminates at the demarcation point rather than the network interface device ("NID") because, "in some cases, the NID does not mark the end of the incumbent's control of the loop facility." Id. at ¶ 168. The Commission's intention was to ensure that the loop element definition was sufficiently precise to provide competitors with actual access to the subscriber. Id.

In its Competitive Networks proceeding, the Commission has a similar opportunity to eliminate anti-competitive conduct by building owners by adopting an order requiring landlords to provide nondiscriminatory access to tenants in MTEs. In the Competitive Networks proceeding it has been proposed that the Commission adopt a single demarcation point for all MTEs at the MPOE, regardless of whether the inside wire is controlled by the ILEC or the building owner. Since under the Commission's rules the demarcation point also marks the termination point of the loop element, NEXTLINK is concerned that adoption of a single demarcation point, regardless of whether the loop is under ILEC or landlord control, will needlessly compromise the Commission's decision to denominate ILEC-controlled inside wire as a part of the loop element.

NEXTLINK urges the Commission to consider a refinement to the proposal of a single demarcation point that will continue to give effect to the Commission's decision to deem ILEC-controlled inside wire to be part of the loop element while also providing uniformity in those situations where the inside wire is controlled by the building owner. NEXTLINK supports the adoption of a single demarcation point for all MTEs at the MPOE in any case where the inside wire is owned or controlled by the building owner or other party. If however, the inside wire is owned or controlled by the ILEC, the Commission's UNE remand decision should govern and the inside wire should be deemed to be part of the loop element with the demarcation point established 12 inches from an individual unit.

Finally, NEXTLINK asks that the Commission address the practical problem of determining ownership of inside wire by requiring both landlords and ILECs to promptly respond to requests for this information. Ambiguity over who owns or controls the inside wire should not be used as a ploy to delay CLEC entry into MTEs.

We are submitting an original and six copies of this notice for each of the two proceedings listed above. Please include this notice in the public record of these proceedings.

Respectfully submitted,

Cathleen A. Massey

Vice President, Public Policy

Cc: Meeting participants